Evaluation of fixed assets of PSUs

2381. SHRI SANTOSH BAGRODIA:
SHRI GHULAM NABIAZAD:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have any plan to evaluate all fixed assets of all PSUs to determine their values;

(b) if so, whether evaluation is done on a yearly basis;

(c) if not, the reasons therefor; and

(d) whether evaluation is based on movable and/or non-movable items?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Government has no proposal to evaluate the fixed assets of all PSUs on an annual basis, since this is not a usual practice in the PSUs.

(c) and (d) Valuation of PSUs being disinvested is done before calling the financial bids. Valuation of assets is one of the four valuation methods used in the disinvestment of PSUs and is useful in the case of liquidation of a company. Discounted Cash Flow Method, Balance Sheet Method, Transaction Multiple Method are the three other valuation methods which are more appropriate for valuation of a going concern. These valuation methods are internationally recognised.

Disinvestment of Modern Food Industries

2382. SHRI RAMACHANDRA KHUNTIA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Modern Food Industires, which was disinvested with the expectation of turn around has instead turned sick in the hands of the private management and is being referred to BIFR for liquidation/winding up formalities;

(b) if so, what have been the reasons adduced by the private management for their volte face and whether Government are satisfied by the reasoning; and

(c) the land and property owned by M/s Modern Food Industries at the'time of its transfer to the private hands?